



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

Date: 4/19/2005

GAIN Report Number: IT5014

Italy

Product Brief

Entering the Italian Pet Food Market

2005

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Report Highlights:

The Italian pet sector is a growing and lucrative market, with pet ownership in Italy being the fourth largest in Europe. With a population of over 58 million people, there are an estimated 60 million household pets in Italy. Italian and EU regulations require that manufacturers of pet foods containing ingredients of animal origin be listed in specific APHIS lists in order to be authorized for exports. Non compliance with this requirement implies product rejection by border inspection officials and/or serious liabilities for the distributor/importer.

Includes PSD Changes: No

Includes Trade Matrix: No

Unscheduled Report

Rome [IT2]

[IT]

Market overview

The Italian petfood sector is a growing and lucrative market, with pet ownership in Italy being the fourth largest in Europe. With a population of over 58 million people, there are an estimated 60 million household pets in Italy. While Italians purchase most of their pet supplies in pet shops (3000 outlets throughout the country), supermarkets, hypermarkets, and garden centers are also starting to cash in on the pet sector expanding their selection of pet products. The latest trends in the pet food market are dog/cat treats and diet/health specific food, while the shift of the Italian population from towns to suburbs has favored the growth in the dog population. Cats are still the preferred household pet in urban city centers due to their greater adaptability to apartment living.

Retail Sales of Pet Food and Pet Care Products by Sector: Value 1998-2003

EUR million	1998	1999	2000	2001	2002	2003
Dog and cat food	983.6	1,030.3	1,068.5	1,125.0	1,198.5	1,290.1
Other pet food	144.9	163.0	181.7	194.7	209.6	223.8
Pet care products	314.7	328.6	338.9	352.5	370.1	391.1
Pet food and pet care products	1,443.2	1,521.9	1,589.1	1,672.2	1,778.2	1,904.9

Source: Euromonitor

Import regulations

We should first draw a distinction between pet food containing products of animal origin and pet food not containing animal products. The first is subject to the European regulation on animal by-products. The new EU animal by-products Regulation 1774/2002 came into force on May 1, 2004.

Any U.S. facility must be inspected and authorized by APHIS for compliance with European rules in order to be allowed to export pet food to EU countries. Once a facility is inspected by APHIS it is inscribed on a list that is transmitted to the border authorities of the EU country. More detailed info on EU pet food (and animal by-product) regulations can be found at <http://www.useu.be/agri/by-products.html>

Unfortunately, the issue of the lists is not yet harmonized, which is to say that there is no one single list for all the EU member states. Italy for example requests APHIS to provide two lists of authorized US exporters: one for pet food and one for pet food ingredients and animal proteins.

In order for a company to be authorized to export pet food containing animal by-products to Italy, the first step is to contact the APHIS area office to start the process. The office responsible for drafting the list is the National Center for Import of Export (NCIE) http://www.aphis.usda.gov/vs/import_export.htm (in the upper part of the page there is the link to contact details for area offices).

Please note all U.S. manufacturers of pet food products must be on this list prior to shipping their products to Italy. Should a U.S. manufacturer of pet food products attempt to ship their products to Italy without being on the list, under Italian law they are committing an offense, and the product will likely be rejected by border inspection authorities.

For trade show purposes it may in some cases be possible for FAS Rome to request that the Italian Ministry of Health grant a derogation for importation of samples to be shipped to Italy for this purpose only. In this case the product cannot be sold on the market and must be destroyed or otherwise disposed after the show.

A recent Italian law (D.to Leg.vo 21.2.2005 n. 36 - Sottoprodotti di origine animale – G.U. N. 63 del 17 Marzo 2005) sets very severe sanctions for import and distribution of pet food containing animal products without the required authorization. Fines range between 28,000 and 70,000 Euros.

Italian Pet Sector Trade Show

Bologna Fiere hosts a bi-annual international pet sector trade show called Zoomark. This year's show will be in Bologna from May 5-8, 2005. Zoomark offers the chance to network with over 20,000 qualified international agents, distributors and buyers from 66 countries, meet old and new trading partners and test the impact of your products and marketing strategies. Zoomark showcases the best products available worldwide in the pet food sector, hygiene/beauty products, comfort products, and accessories. The show covers over 43 thousand square meters. FAS Italy organizes a U.S. Pavilion at show in collaboration with FCS Italy.

For more information about the Italian pet sector please contact the Foreign Agricultural Service, American Embassy Rome, Italy, tel: 011 39 06 4674 2396, fax: 011 39 06 47887008, e-mail: agrome@usda.gov. Also, please visit the FAS Rome, Italy website at www.usembassy.it/agtrade for more information on the U.S. Pavilion at Zoomark.